

FROM: City of Atlanta TelePAC

TO: The Honorable Shirley Franklin
Honorable Members of the Atlanta City Council

SUBJECT: TelePAC's Final Report

DATE: June 28, 2005

Please accept the following report as fulfillment of Council Resolution 04-R-0433, authorizing a Telecommunications Policy Advisory Committee (TelePAC). We believe that the report addresses the areas of concern addressed in the Resolution and in public comment during TelePAC meetings.

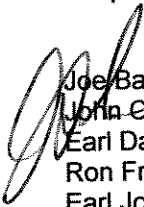
This report is a snapshot of how we see things today, and the Telecommunications industry is a fast-changing one. We have pointed out specific issues which we believe you should follow closely.

The members of the Committee also pledge to continue supporting you if you desire. We would be happy to join you in a work session to discuss the issues and our recommendations at length, to "bring them alive" for you.

Finally, the Committee would like to thank Council Staff and the Mayor's Staff for their support of our work, and commend them to you for their competence and commitment to serving the City. We have listed contributors to this report in Appendix E.

It has been an honor and a privilege to serve the City of Atlanta, City Council, and Mayor Franklin.

Respectfully Submitted,



Joe Bankoff, Vice Chair
John Craft, Chair
Earl Daniels
Ron Frieson
Earl Johannaber
Hans Klein, PEG Subcommittee Chair
Helena Mitchell, New Technologies Subcommittee Chair
Beverly Molander
David Sjoquist, Franchise Subcommittee Chair

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City of Atlanta Telecommunications Policy Advisory Committee (TelePAC)
Franchise Subcommittee
Executive Summary
June 28, 2005

TelePAC addressed four issues regarding franchises.

- The procedure for approving facilities construction, including street cuts.

It is our general impression that, with one exception, the City's franchisees and their contractors do a fine job in complying with the letter and spirit of City ordinances and the City's "Public Right of Way Manual". It appears that the most of the objectionable street cuts are not related to telecommunications franchises, but to water and sewer projects, but these are outside of TelePAC's remit. The Right of Way Manual makes note of a requirement for warning signs, but this guideline does not appear to be followed. We recommend that the City enforce this provision.

- Existing franchise agreements.

The staff members involved in negotiating franchise agreements are extremely competent.

We note that the use of the funds provided by the cable franchisee is specified in the agreement. A Franchise agreement is an unusual vehicle for authorizing the expenditure of City Funds. The City typically authorizes expenditures by its budget, or by separate ordinance. We recommend that Franchise agreements set out the payments from franchisees to the City, but not authorize expenditures. This recommendation does not apply to PEG funds which are paid directly from a franchisee to e.g. PeopleTV, and which do not pass through the City.

Regarding specific franchise agreements:

1. Comcast

The City's agreement with Comcast does not expire until December 31, 2009, and thus there is no pressing need for an immediate consideration of this agreement. In considering the renegotiation of the agreement there are two major issues that should be considered: the technology that will be used by the cable franchisee and the fees and resources provided to the City by the franchisee.

It is beyond the capability of TelePAC to determine whether the level of resources (both in-kind and direct payments) provided for in the current agreement is appropriate. But there are two issues that the City needs to consider in preparing for the renegotiation. First, there are alternatives for customers, e.g., Direct TV, and to the extent that such competition increases, the willingness of the cable franchisee to provide resources to the City will be reduced. Second, the City should consider the desired mix of in-kind resources and direct payments.

The position the City takes during the renegotiation regarding on the mix and level of resources should be based on how it is going to use its PEG channels. Thus, the City should develop a strategic plan that lays out what it wants to accomplish regarding its PEG channels.

2. BellSouth

The base for the current franchise (right-of-way) agreement with BellSouth is BellSouth's recurring local services. But for many reasons that revenue base is in jeopardy. Given the changes in range of services, the nature of billing (for bundled services), and the changes in competition, the current basis of the franchise fee is not as sound.

An option the City might consider is to tie the franchise fee less to gross revenues, and more to per-linear-foot assessment.

- The current regulatory climate surrounding Voice over Internet Protocol (VoIP) services, the potential revenue impact to the City by changes to VoIP regulation or by migration from existing service platforms to VoIP, and potential legal rulings or legislative initiatives that will affect the City's franchising power.

Traditional wireline telephone usage currently generates \$10 Million in Franchise Fees. These receipts are at risk as telephone usage continues to migrate away from these networks, and by regulatory changes (reclassifying DSL, for example). Usage will migrate in three ways: DSL will be reclassified; customers will depend less on their wireline phone in favor of wireless and VoIP; and eventually telephone companies will migrate from circuit-switched platforms to IP-enabled platforms.

Finally, there are occasional indications that Congress may revisit the Communications Act in 2006.

- "City-built networks."

There are several categories of communications systems that the City is, or could become involved in operating.

Public Safety: radio communications for police and fire departments, 911 PSAPs and ALL database interconnection, wireless data networks for law enforcement. These are "mission-critical" networks essential to the health and welfare of citizens and visitors to Atlanta. They are also critical to ensuring the safety of our police officers and firefighters on duty.

Infrastructure for City Employees: City service networks and applications, from tracking bulk refuse appointments to providing building permits to billing for water and sewer service.

Municipal Networks: Several cities are building municipal networks, but municipal construction of WiFi networks is receiving scrutiny in some state legislatures. The City has demonstrated admirable caution in this arena. Providing WiFi is very different than, for example, providing water. Technology evolves rapidly, and equipment has a useful life measured in months, not years. Integration, management and maintenance costs are often understated in feasibility studies. Security of personal data is a major concern, and requires constant vigilance. Customer expectations are demanding, and increase daily. The City may be better served promoting universal access to broadband Internet access by working with existing providers than with building and operating its own network.

Subcommittee on New Technologies

Executive Summary

The Telecommunications Policy Advisory Committee (TelePAC) was established by the City Council to advise the Mayor and the Council on telecommunications technology policy matters. One important element identified by TelePAC is the need to provide policy advice on the most beneficial applications of newer technologies and investment options that might best serve the interest of both the citizens and government of Atlanta, Georgia. A subcommittee of TelePAC on New Technologies was formed to investigate these matters. This Report summarizes its conclusions as to what policies and investments by the City may offer the best returns.

The nature of telecommunications has changed in drastic and important ways in the last decade. Cities like Atlanta are seriously challenged to manage their own communications technology and policies effectively and efficiently. Operation of basic City functions and growth of the tax and economic base of the City now require Atlanta to adapt to a climate where high-speed networks are essential.

The subcommittee examined eight separate policy alternatives for the City of Atlanta. These cover a range of options and represent broad strategies rather than narrow project comparisons. The policies considered in the report are:

- investing in web-based transaction capabilities for enhanced delivery of City service;
- electronically archiving City records and webcasts of open meetings to enhance citizen participation and decrease back-end compliance costs with open records requests;
- investing in the creation of a wireless local area network (WLAN) on the Wi-Fi standard that would connect seamlessly with existing hot spots and greatly expand wireless Internet coverage in Atlanta;
- investing in the creation of a wireless municipal area network (WMAN) on the WiMAX standard that would provide a blanket of wireless coverage throughout the City to provide service to underserved areas and enable mobile access;
- upgrading the City telecommunications infrastructure by acquiring capacity where it is currently leased and increasing the security and stability of municipal architecture;
- investing in global positioning system (GPS) equipment for navigation and tracking for public safety vehicles and other important City assets;
- investing in a fiber network connecting the Atlanta Public Schools (APS) that will allow for better long-term information management and create opportunities for collaboration with other educational institutions using advanced instructional technology; and
- subsidizing broadband access to underserved areas in the City of Atlanta.

Each of these policy alternatives was evaluated using a scorecard analysis that rates compliance with various evaluation criteria. For this analysis, the criteria included (a) innovativeness and adaptability to future conditions, (b) affordability, (c) potential to generate revenues for the City, (d) feasibility of implementation, (e) potential impact on economic development, (f) overall impact on City population, (g) relevance to core City functions, and (h) the likelihood of success. The summary table demonstrates how the policy alternatives were rated against the various criteria.

Summary Table: Policy Evaluation Matrix								
Policy \ Criterion	Innovativeness	Affordability	Revenue Potential	Feasibility of Implementation	Potential Economic Development Impact	Impact on City population	Relevance to Core City Functions	Likelihood of success
Web-based transactions	Low-Moderate	Moderate-High	Low-Moderate	Moderate-High	Low-Moderate		Moderate-High	Moderate-High
Archiving & Webcasting	Moderate	Moderate	Low	Moderate-High	Low	Moderate-High	Moderate	Moderate-High
WLAN (Wi-Fi)	Moderate-High	Low-Moderate	Moderate	Low-Moderate	Moderate-High	Moderate-High	Moderate	Moderate
WMAN (WiMAX)	Moderate-High	Low	Moderate	Low	Moderate-High	Moderate-High	Moderate	Low-Moderate
Upgrade infrastructure	Moderate	Moderate-High	Low	Moderate-High	Low	Low	Moderate-High	
GPS	Low-Moderate	Low-Moderate	Low	Moderate-High	Low	Low-Moderate	Moderate	Moderate-High
Fiber for APS		Low	Low-Moderate	Low-Moderate	Moderate	Low-Moderate	Moderate	Moderate-High
Subsidize broadband	Low	Low-Moderate	Low	Low-Moderate	Moderate	Moderate	Low	Moderate

After weighting these criteria two superior policy alternatives emerged:

- (1) investment in e-government through web-based processing of transactions and services; and**
- (2) investment in a wireless local area network (WLAN).**

Based on an evaluation of all the alternatives, the subcommittee recommends that the City of Atlanta prioritize its new technological investment in these two areas. Other projects worthy of investment include upgrading the City's network infrastructure, creating a fiber network for APS, and creating an accessible electronic record archive.

Acknowledgements

The subcommittee on new technologies would like to thank the following people for their hard work on this report:

Abe Kani, Chief Information Officer, City of Atlanta.

Alan Bakowski, Research Specialist, Office of Technology Policy & Programs (OTP), Georgia Centers for Advanced Telecommunications Technology (GCATT).

Paul M.A. Baker, Ph.D., Associate Director of Research, Office of Technology Policy & Programs (OTP), Georgia Centers for Advanced Telecommunications Technology (GCATT).

Todd Greene, CEcD, Manager, Government and Community Economic Development Services, Georgia Tech Economic Development Institute (EDI).

Executive Summary

Reinventing PEG Access in Atlanta

Report of the Public, Educational, Governmental (PEG) Access Subcommittee of the Telecommunications Policy Advisory Committee (TelePAC)

The regulatory environment in Atlanta, Georgia and the US poses threats to the continued existence of PEG. The PEG system can best respond to this by making itself invaluable to the local community. Digital technology offers an opportunity to do just that. Leveraging new technology, PEG institutions really can realize the PEG functions. Individuals and groups throughout the community can get benefit from the system. In response they are likely to support the system in the future. By serving the community, PEG can develop a constituency that will ensure that it continues to thrive.

The recommendations are summarized here according to the policy player to whom they apply. We first present recommendations for action by the City, then by all PEG stations, then by People TV, then by a producer group within People TV. Although these recommendations go beyond the City Council and Mayor, those top-level policy authorities can influence actions by the lower-level entities.

1. The City (City Council and Mayor)

- Prepare for a competitive re-bid of the People TV contract upon franchise renewal
 - Encourage competitive bids
 - Investigate emerging models from other cities
- Relax control over People TV board
 - Open new avenues to entry on the board
 - Producer representation
 - Viewer representation
- Assist People TV
 - Provide free facilities to People TV
 - (conditional on people TV reorienting its budget; see below.)
 - People TV gets assistance...
 - ... if it becomes leaner and more efficient ...
 - ... so the total savings fund migration to digital technology.
- Record service complaints for cable system
 - Document level of service
 - needed for both good and less-than-good service
 - Add a web-based reporting form
- Do a close-out report of the Atlanta Community Technology Initiative (ACTI)
 - Document history, spending, accomplishments

2. All PEG Stations (People TV, CAU-TV, APS-TV, City Channel, Fire Channel)

(Note: the recommendations in this section are for the PEG stations and not for the City of Atlanta to implement.)

- Form a PEG Working Group/Coordinating Committee
 - In conjunction with other jurisdictions, invite stations from entire metro region to participate
 - Email discussion list
 - Semi-annual meetings
 - Functions:
 - Best practice diffusion (e.g. City Channel shows others its video-on-demand)
 - Policy process (preparation for re-franchising, regulatory changes)
 - Each PEG station should seek feedback from viewers on a regular basis
 - Help develop new models of service provision
 - Generally provide feedback on viewer needs
- Fully utilize channel capacity
 - Fill the 24-hour programming cycle
 - Support digital video recorders (Tivo)
- Allow more imported programming
 - Consistent with community service mission
 - Helps fill channel capacity
 - Serves viewers needs
- Use appropriate technology for different types of programming
 - Video on demand (Internet)
 - For archival recordings (e.g. City Council meetings, citizen group meetings)
 - For re-runs
 - Regular cable television
 - For first run productions
 - For live shows (call-ins)
 - For imported programming
- Better outreach to viewer
 - Fulfill existing commitments
 - Exploit all franchise-guaranteed options
 - Advertising on commercial cable channels.
 - Newsletter by Email
 - On-line program guides
 - Program descriptions, not just names
 - Links to show archives
 - Always timely and up to date
 - Ensure accurate cable channel listings on Comcast Cable Menu

3. People TV

- Recognize current vulnerability
 - Regulatory change could eliminate PEG
 - Local franchise renegotiation could eliminate public access in its current form

- Competition in 2009 could award contract to other entity
- Achieve state-of-the-art by 2009
 - In time for franchise renewal
 - Prepare for competitive bidding
- State-of-the-art technology: digital
 - Recording devices (digital cameras,) editing devices (computers & software,) distribution (server computers -- for both cable and Internet distribution)
 - Empower private producers
 - Negotiate with retailers for producers' discounts in purchasing equipment for their personal use in order to reduce use of People TV equipment
 - Develop staff expertise in digital technology
 - Manage own web site and internal LAN
 - Emphasize video-on-demand (i.e. Internet)
 - Move away from real-time analog video signal
- State-of-the-art organization: new model of public access
 - Focus on community groups as well as individuals
 - Assist community groups with digital communication technology (not only video, but also audio, still images, graphics, text)
 - Focus on easy winners
 - web pages for community groups
 - video-on-demand archiving of events
 - relevant imported programming
 - Move away from a "bricks and mortar" model of public access
 - Teach classes in community centers throughout the city
 - Allow users to edit at home (lend out computers)
 - Better serve the viewer
- Shift budget priorities
 - Invest more in digital technology
 - Preserve value-adding "front office" staff and activities
 - Reduce budget for administrative staff ("back office")
 - Recruit a strong volunteer base to coordinate scheduling, productions, equipment usage
 - Get pro bono management review from consulting firm

4. Dissident Producers at People TV

- Dissident producers at People TV should pursue constructive strategies
 - Organize effective producer group
 - Create their own digital platform
 - Parallel to People TV
 - Self-managed
 - Based on video-on-demand (Internet)
 - Develop competitive alternative to People TV, Inc.
 - Develop strategies and proposal in preparation for re-franchising in 2009
- De-emphasize destructive efforts

- Lawsuits hurt People TV
- Hurt Atlanta public access generally

5. All Parties

- All parties should make contingency plans for new federal regulation that could radically change local telecommunications regulation
 - eliminates local franchising authority
 - eliminates PEG provisions
- All parties, including PEG, the cable service provider, and city/county governing bodies should support experimentation in new models for digital media that extend beyond the physical parameters of the City of Atlanta

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City of Atlanta Telecommunications Policy Advisory Committee (TelePAC)
Final Report

Appendix D: Background

TelePAC was created by Council Resolution 04-R-0433, signed by Mayor Shirley Franklin on March 24, 2004.

An initial meeting was held on Nov. 3, 2004, and some public comment taken regarding the City's relationship with PeopleTV, but no action was taken for lack of a quorum.

TelePAC reconvened on Nov. 8 and elected John Craft Chair, and Joe Bankoff Vice-Chair. Additional public comment was taken regarding the City's relationship with PeopleTV.

TelePAC reconvened on Nov. 22, and after more public input, voted to recommend that the City of Atlanta continue its agreement with PeopleTV for the purpose of operating the City's Public Access Television channel. TelePAC also requested that Council approve an extension of its mandate until June 30, 2005.

On Jan. 10, 2005, TelePAC developed its work plan for the remainder of its mandate, creating three subcommittees and agreeing scope. Each subcommittee then developed its own work plan and held meetings to schedule its work, solicit input from citizens and experts, and develop its report.

On Mar. 24, TelePAC met to give a brief status of each subcommittee, and to confirm with stakeholders that the reports being developed would be useful. Subcommittees continued to develop the three subcommittee reports.

On June 21, TelePAC met to review the draft reports from each subcommittee.

On June 28, TelePAC met to discuss and adopt the three subcommittee reports and disband.

City of Atlanta Telecommunications Policy Advisory Committee (TelePAC)
Final Report

Appendix E: Acknowledgements

TelePAC would like to thank the following people for their support as we prepared our report:

Council Staff:	Alfred Berry Carolyn Fountain Linda Harris
Mayor's Staff:	Peter Andrews Joe Morris Bob Titus
ComCast:	LeVoyd Carter Tommy Johnson Andy Mackie
GCATT / Georgia Tech:	Paul Baker Alan Bakowski Todd Greene
King & Spalding LLP:	Thomas C. Lundin, Jr. Marjorie Rogers (K&S also generously provided meeting space and meals)
Miller & Van Eaton PLLC:	Gerry Lederer
Atlanta Public Schools Channel:	Luana K. Slaughter
Clark Atlanta University TV:	Carleen Brown
The Fire Channel:	Dana Wright
Fulton County Television:	Michael Billups
PeopleTV:	Charlotte Engel Alison Fussel

Without the people named above, the reports we are providing you simply would not be as complete or as useful as they are.